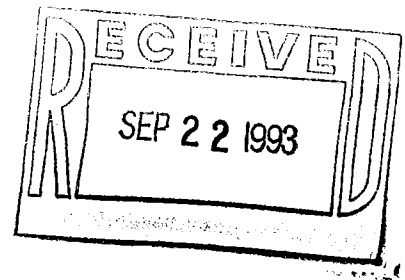




CERTIFIED MAIL
RETURN RECEIPT REQUESTED



September 21, 1993

Regional Administrator
United States Environmental
Protection Agency, Region 5
ATTN: Darryl Owens
Mail Code 5HS-11
230 South Dearborn Street
Chicago, Illinois 60604

Director, Solid and Hazardous
Waste Division
Minnesota Pollution Control Agency
ATTN: Site Response Section
520 Lafayette Road North
St. Paul, Minnesota 55155

President
Reilly Industries, Inc.
1510 Market Square Center
151 North Delaware
Indianapolis, Indiana 46204

RE: United States of America, et al. vs. Reilly Tar &
Chemical Corporation, et al.
File No. Civ. 4-80-469

Gentlemen:

On September 8, 1993 the City received a letter from the United States Environmental Protection Agency (USEPA) and Minnesota Pollution Control Agency (MPCA) regarding the pumping of Prairie du Chien-Jordan Aquifer well W48. Pursuant to the provisions of Section 7.4.2. of the Remedial Action Plan (RAP) in the referenced case, the City, on behalf of Reilly Industries, Inc. must use its best effort to ensure the pumping rate of W48 be maintained. If the City is unable to ensure such pumping, Section 7.4.2. of the RAP stipulates the Agencies must assess the effect of the diminution of the pumping stress.

As noted in the Agency letter, W48 has not been pumped. In 1991 the City was informed by the owner of W48 that it was no longer using W48 for industrial purposes, and that it would be used only as a lawn irrigation source. Given such a change, the City determined that it would have to fund the reconstruction of the W48 discharge system to surface water (Minnehaha Creek) if the required rate was to be maintained.

Although the W48 discharge to surface waters was authorized under a Natural Pollution Discharge Elimination System (NPDES), the City was reluctant to effect the change, given the public response to a 1987/1988 proposal to discharge effluent from SLP4 to surface waters. Given the fact SLP4 was to be made operational in 1992, the City elected to observe the effects of SLP4 pumping in 1992 and 1993. In order to assure the active status of the W48 NPDES permit, the City's Project Leader contacted the MPCA to seek clarification of the permit's status. The MPCA representative assured the City's Project Leader that the NPDES permit would remain active until 1993. The City's Project Leader reported these conditions to the MPCA Project Leader in 1992 telephone conversations.

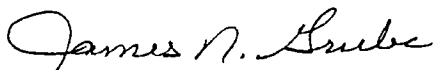
Letter to USEPA, MPCA, and RI
September 21, 1993
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In early 1993, the City Project Leader contacted the MPCA regarding the renewal of the W48 NPDES permit. The MPCA representative indicated to the City's Project Leader that the NPDES permit would only be renewed after a public notice process - a process which would result in public hearings similar to the 1987/1988 public meetings held prior to the design of the SLP4 discharge. Such provisions are essentially the same as the provisions required in the NPDES petition process.

Given the formality of the required NPDES process and the likelihood public response will be unsupportive, the City has directed its consultant (ENSR Consulting & Engineering) to develop a computerized simulation of the impact of the pumping of the Prairie du Chien-Jordan Aquifer pumping network. The results of the computerized simulation will be submitted to the Agencies as it becomes available.

Comments regarding the City's position on the pumping of W48 may be forwarded to this office.

Sincerely,



James N. Grube
Director of Public Works

JNG/sjk

cc: Elizabeth Thompson, Popham-Haik Law Firm
Bill Gregg, ENSR Consulting & Engineering
Reilly File